

# **COMPUTERIZED ACCOUNTING II**

## Curriculum Content Frameworks

**Please note: All assessment questions will be taken from the knowledge portion of these frameworks.**

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# Curriculum Content Frameworks

## COMPUTERIZED ACCOUNTING II

**Grade Levels:** 11, 12  
**Course Code:** 492110

Prerequisite: Computerized Accounting I

Course Description: Computerized Accounting II is a two-semester course designed to provide students with the knowledge, understanding, and skill necessary for successful careers in accounting. Partnership as well as departmental, corporate, and cost accounting systems are components of the course. Emphasis is given to the computerized/automated functions in accounting.

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# Unit 1: Review of Accounting Cycle

## Hours: 3-5

Terminology: Accountant, Accounting, Accounting clerk, Accounting equation, Accounts payable, Accounts receivable, Adjusting entry, Adjustments, Asset, Balance sheet, Bookkeeper, Capital, Chart of accounts, Check, Chronological, Closing entry, Corporation, Double-entry accounting, Drawing, Entry-level jobs, Equity, Ethical, Expenses, Financial statement, Fiscal period, General journal, General ledger, General office clerk, Income, Income statement, Inventory, Journalizing, Liability, Memorandum, Merchandise, Partnership, Petty cash, Post closing trial balance, Posting, Proprietorship, Proving, Proving cash, Public accounting firm, Purchase, Receipt, Reconciling, Revenue, Special amount column, Subsidiary ledger, Transaction, Trial balance, Vendor, Withdrawal, Work sheet

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do		ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
1.1 Define terminology	1.1.1 Prepare a list of terms with definitions	Foundation	Reading	Applies/Understands technical words that pertain to subject [1.3.6]
			Writing	Uses words appropriately [1.6.21]
1.2 Describe the importance of communication skills and making ethical business decisions		Foundation	Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
1.3 Identify forms of business organizations		Foundation	Reading	Comprehends written information for main ideas [1.3.7]
1.4 Identify the accounting concepts		Foundation	Reading	Comprehends written information for main ideas [1.3.7]
1.5 Define accounting terms dealing with the accounting cycle		Foundation	Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
1.6 List the steps in the accounting cycle	1.6.1 Prepare forms needed to complete the accounting cycle	Foundation	Arithmetic/ Mathematics	Applies addition, subtraction, multiplication, and division to real-world situations [1.1.1]
				Adds and subtracts to prepare a profit and loss statement [1.1.42]
			Writing	Applies/Uses technical words and concepts [1.6.4]
		Personal Management	Responsibility	Pays close attention to details [3.4.8]

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do		ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
1.7 The student will be able to explain the differences between manual and computerized accounting	1.7.1 Use accounting spreadsheet software to complete the accounting cycle of a business	Foundation	Reading	Analyzes and applies what has been read to a specific task [1.3.2]  Applies information and concepts derived from printed materials [1.3.3]
		Thinking	Decision Making	Demonstrates decision making skills [4.2.4]

## Unit 2: Departmentalized Accounting Using Special Journals

### Hours: 50-60

Terminology: Accumulated earnings, Allowance, Beginning inventory, Cash payments journal, Cash receipts journal, Commission, Cost of merchandise, Deduction, Direct deposit, Employee earnings record, Ending inventory, Expense, Gross earnings, Gross profit on sales, Income statement, Net income, Net loss, Net pay, Net purchases, Net sales, Operating expenses, Operating income, Overtime rate, Pay period, Payroll, Payroll register, Post-closing trial balance, Purchases journal, Revenue, Salary, Sales journal, Source document, Statement of retained earnings, Wages

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
2.1 Define terminology	2.1.1 Prepare a list of terms with definitions		Foundation	Reading	Applies/Understands technical words that pertain to subject [1.3.6]
				Writing	Uses words appropriately [1.6.21]
2.2 Explain the procedures for a departmentalized business using purchases and cash payments journals	2.2.1 Journalize transactions for a departmentalized business		Foundation	Reading	Comprehends written information and applies it to a task [1.3.8]
	2.2.2 Journalize transactions for a departmentalized business using purchases and cash payments journals		Thinking	Decision Making	Comprehends ideas and concepts related to departmentalized accounting [4.2.2]  Evaluates information/data to make best decision [4.2.5]
2.3 Identify the steps in preparing payroll	2.3.1 Prepare forms needed to complete the payroll		Foundation	Arithmetic/ Mathematics	Applies addition, subtraction, multiplication, and division to real-world situations [1.1.1]
	2.3.2 Journalize payroll				Applies mathematical principles related to percentages [1.1.4]
	2.3.3 Calculate and record employer's payroll taxes				Calculates dollar amounts [1.1.7]
			Personal Management	Responsibility	Pays close attention to details [3.4.8]
			Thinking	Decision Making	Comprehends ideas and concepts related to payroll [4.2.2]

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do		ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce			
Knowledge		Application	Skill Group	Skill	Description
2.4	Explain financial reporting procedures	2.4.1 Prepare financial statements for a departmentalized business	Foundation	Arithmetic/ Mathematics	Calculates dollar amounts [1.1.7]  Adds and subtracts to prepare profit and loss statements [1.1.42]
			Thinking	Reasoning	Comprehends ideas and concepts related to financial statements for a departmentalized business [4.5.2]
2.5	Explain the differences between manual and computerized accounting	2.5.1 Use accounting/spreadsheet software to complete the accounting cycle of a departmentalized business	Foundation	Reading	Analyzes and applies what has been read to a specific task [1.3.2]  Applies information and concepts derived from printed materials [1.3.3]
			Thinking	Decision Making	Demonstrates decision-making skills [4.2.4]

## Unit 3: Accounting for Special Procedures

**Hours: 50-60**

Terminology: Accounts receivable turnover ratio; Accrued expenses; Accrued revenue; Aging accounts receivable; Assessed value; Average number of days' sales in merchandise inventory; Book value of accounts receivable; Book value of a plant asset; Consignee; Consignment; Consignor; Date of a note; Declining-balance method of depreciation; Depletion; Direct write-off method of recording losses from uncollectible accounts; Dishonored note; First-in, first-out inventory costing method; Interest; Interest expense; Interest rate of a note; Inventory record; Last-in, first-out inventory costing method; Lower of cost or market inventory costing method; Maturity date of a note; Maturity value; Merchandise inventory turnover ratio; Modified accelerated cost recovery system; Notes payable; Notes receivable; Personal property; Plant asset record; Prepaid expenses; Principal of a note; Production; Promissory note; Purchase order; Real property; Retail method of estimating inventory; Reversing entry; Stock ledger; Stock record; Straight line method of depreciation; Sum-of-the-years' digits method of depreciation; Uncollectible accounts; Unearned revenue; Weighted-average inventory costing method; Writing off an account

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do		ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
3.1 Define terminology	3.1.1 Prepare a list of terms with definitions	Foundation	Reading	Applies/Understands technical words that pertain to subject [1.3.6]
			Writing	Uses words appropriately [1.6.21]
3.2 Explain inventory procedures, using different methods	3.2.1 Figure inventory, using different methods	Foundation	Arithmetic/ Mathematics	Applies addition, subtraction, multiplication, and division to real-world situations [1.1.1]
			Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
3.3 Explain accounting procedures for uncollectible accounts, using different methods	3.3.1 Calculate amounts for figuring uncollectible accounts, using different methods	Thinking	Problem Solving	Tracks and evaluates results [4.4.10]
		Foundation	Arithmetic/ Mathematics	Calculates dollar amounts [1.1.7]
			Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
			Decision Making	Accepts responsibility for decision [4.2.1]
3.3 Explain accounting procedures for uncollectible accounts, using different methods	3.3.2 Journalize uncollectible account transactions	Thinking	Reasoning	Comprehends ideas and concepts related to bad debts [4.2.2]
				Applies rules and principles to a new situation [4.5.1]

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do		ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application	Skill Group	Skill	Description
3.4 Explain depreciation procedures on plant assets, using different methods	3.4.1 Use different methods to calculate amounts for figuring depreciation on plant assets	Foundation	Arithmetic/ Mathematics	Applies addition, subtraction, multiplication, and division to real-world situations [1.1.1]
	3.4.2 Journalize plant assets and depreciation	Thinking	Speaking  Decision Making	Communicates a thought, idea, or fact in spoken form [1.5.5]  Comprehends ideas and concepts related to plant assets [4.5.2]
3.5 Explain accounting procedures for accrued revenue and expenses	3.5.1 Calculate accrued revenue and expenses	Foundation	Arithmetic/ Mathematics	Applies addition, subtraction, multiplication, and division to real-world situations [1.1.1]
	3.5.2 Journalize accrued revenue and expenses		Speaking  Decision Making	Communicates a thought, idea, or fact in spoken form [1.5.5]  Comprehends ideas and concepts related to plant assets [4.5.2]
3.6 Explain differences between manual and computerized accounting	3.6.1 Use accounting/spreadsheet software to complete the accounting cycle for a business	Foundation	Reading	Analyzes and applies what has been read to specific task [1.3.2]
		Thinking	Decision Making	Applies information and concepts derived from printed materials [1.3.3]  Demonstrates decision making skills [4.2.4]



## Unit 4: Corporation Accounting

### Hours: 25-30

Terminology: Amortization, Articles of incorporation, Board of directors, Bond, Bond issue, Bond sinking fund, Charter, Common stock, Corporation, Date of declaration, Date of payment, Date of record, Declaring a dividend, Discount on capital stock, Earnings per share, Equity per share, Intangible assets, Market value, No-par-value stock, Organization costs, Par value, Par-value stock, Preferred stock, Price-earnings ratio, Rate earned on average stockholders' equity, Rate earned on average total assets, Retiring a bond issue, Serial bonds, Stated-value stock, Stock certificate, Subscribing for capital stock, Term bonds, Treasury stock, Trustee

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do		ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce				
Knowledge		Application		Skill Group	Skill	Description
4.1	Define terminology	4.1.1	Prepare a list of terms with definitions	Foundation	Reading	Applies/Understands technical words that pertain to subject [1.3.6]
					Writing	Uses words appropriately [1.6.21]
4.2	Explain how to set up a business as a corporation	4.2.1	Journalize transactions in setting up a corporation	Foundation	Reading	Applies information and concepts derived from printed materials [1.3.3]
				Thinking	Reasoning	Comprehends ideas and concepts related to the creation of a corporation [4.5.2]
4.3	Explain the procedures for acquiring capital for a corporation	4.3.1	Journalize transactions in acquiring capital for a corporation	Foundation	Reading	Comprehends written information and applies it to a task [1.3.8]
				Thinking	Decision Making	Comprehends ideas and concepts related to acquiring capital for a corporation [4.2.2]  Evaluates information/data to make best decision [4.2.5]
4.4	Explain procedures in preparing end-of-fiscal period work for a corporation	4.4.1	Prepare financial statements for a corporation	Foundation	Arithmetic/ Mathematics	Calculates dollar amounts [1.1.1]  Adds and subtracts to prepare a profit and loss statement [1.1.42]
					Thinking	Reading
		4.4.2	Journalize adjusting, closing, and reversing entries for a corporation	Reasoning		Comprehends ideas and concepts related to reports prepared at the end of the fiscal period [4.5.2]

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do				ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge		Application		Skill Group	Skill	Description
4.5	Explain differences between manual and computerized corporation accounting	4.5.1	Use accounting/spreadsheet software to complete the accounting cycle for a corporation	Foundation	Reading	Analyzes and applies what has been read to a specific task [1.3.2]  Applies information and concepts derived from printed materials [1.3.3]
				Thinking	Decision Making	Demonstrates decision making skills [4.2.4]

# **Glossary**

## **Unit 1: Review of Accounting Cycle**

1. Accountant – a person who handles a broad range of jobs related to the making of choices and decisions about the design for a business accounting system and the preparation and explanation of financial reports
2. Accounting – planning, recording, analyzing, and interpreting financial activities
3. Accounting clerk – entry-level job that can vary with the size of the company from specialization in one part of the system to a wide range of recordkeeping tasks
4. Accounting equation – an equation showing the relationship among assets, liabilities, and owner's equity
5. Accounts payable – the amount of money owed, or payable, to the creditors of a business
6. Accounts receivable – the total amount of money owed to a business
7. Adjusting entry – journal entries recorded to update general ledger accounts at the end of a fiscal period
8. Adjustments – an amount that is added to or subtracted from an account balance to bring the balance up to date
9. Asset – anything of value that is owned
10. Balance sheet – a financial statement that reports assets, liabilities, and owner's equity on a specific date
11. Bookkeeper – a person who keeps regular, concise, accurate records of business transactions by entering them in account books
12. Capital – the account used to summarize the owner's equity in a business
13. Chart of accounts – a list of accounts used by a business
14. Check – a business form ordering a bank to pay cash from a bank account
15. Chronological – arranged in or according to the order of time
16. Closing entry – journal entries used to prepare temporary accounts for a new fiscal period
17. Corporation – an organization with the legal rights of a person and which may be owned by many people
18. Double-entry accounting – the recording of debit and credit parts of a transaction
19. Drawing – an account showing the total assets taken out of the business by the owner
20. Entry-level jobs – the first jobs that individuals get

21. Equity – financial rights to the assets of a business
22. Ethical – conforming to accepted and established professional standards of conduct
23. Expenses – a decrease in owner's equity from the operation of a business
24. Financial statement – a report prepared to summarize the changes resulting from business transactions that occur during an accounting period
25. Fiscal period – the length of time for which a business summarizes and reports financial information
26. General journal – a journal with two amount columns in which all kinds of entries can be recorded
27. General ledger – a ledger that contains all accounts needed to prepare financial statements
28. General office clerk – may be in charge of a small cash fund, file accounting records, type accounting reports
29. Income – a gain measured in money that derives from capital or labor; also the amount of such gain received by an individual in a given period of time
30. Income statement – a financial statement showing the revenue and expenses for a fiscal period
31. Inventory – the amount of goods on hand
32. Journalizing – recording transactions in a journal
33. Liability – an amount owed by a business
34. Memorandum – a form on which a brief message is written describing a transaction
35. Merchandise – goods that a merchandising business purchases to sell
36. Partnership – a business in which two or more people combine their assets and skills
37. Petty cash – an amount of cash kept on hand and used for making small payments
38. Post-closing trial balance – a trial balance prepared after the closing entries are posted
39. Posting – transferring information from a journal entry to a ledger account
40. Proprietorship – a business owned by one person
41. Proving – determining that amounts are in agreement or in balance
42. Proving cash – determining that the amount of cash agrees with the accounting records
43. Public accounting firm – a business selling accounting services to the general public

- 44. Purchase – to gain possession by paying money or the equivalent
- 45. Receipt – a business form giving written acknowledgment for cash received
- 46. Reconciling – verifying that information on a bank statement and a checkbook are in agreement
- 47. Revenue – an increase in owner's equity resulting from the operation of a business
- 48. Special amount column – a journal amount column headed with an account title
- 49. Subsidiary ledger – a ledger that is summarized in a single general ledger account
- 50. Transaction – a business activity that changes assets, liabilities, or owner's equity
- 51. Trial balance – a proof of the equality of debits and credits in a general ledger
- 52. Vendor – a business from which merchandise is purchased or supplies or other assets are bought
- 53. Withdrawal – assets taken out of a business for the owner's personal use
- 54. Work sheet – a columnar accounting form used to summarize the general ledger information needed to prepare financial statements

## Unit 2: Departmentalized Accounting Using Special Journals

1. Accumulated earnings – the employee's year-to-date gross earnings or the employee's gross earnings from the beginning of the year through the end of each pay period
2. Allowance – reduces the amount of income tax to be withheld
3. Beginning inventory – the merchandise a business has on hand at the beginning of a fiscal period
4. Cash payments journal – a special journal used to record only cash payment transactions
5. Cash receipts journal – a special journal used to record only cash receipt transactions
6. Commission – an amount paid to an employee based on a percentage of the employee's sales
7. Cost of merchandise – the price a business pays for goods it purchases to sell
8. Deduction – an amount that is subtracted from an employee's gross earnings
9. Direct deposit – the depositing of an employee's net pay directly into his/her personal bank account; usually made through electronic funds transfer
10. Employee earnings record – a business form used to record details affecting payments made to an employee
11. Ending inventory – the merchandise a business has on hand at the end of a fiscal period
12. Expense – a decrease in owner's equity resulting from the operations of a business
13. Gross earnings – the total pay due for a pay period before deductions
14. Gross profit on sales – the revenue remaining after cost of merchandise sold has been deducted
15. Income statement – a financial statement showing the revenue and expenses for a fiscal period
16. Net income – the difference between total revenue and total expenses when total revenue is greater
17. Net loss – the difference between total revenue and total expenses when total expenses are greater
18. Net pay – the total earnings paid to an employee after payroll taxes and other deductions
19. Net purchases – total purchases less purchases discount and purchases returns and allowances
20. Net sales – total sales less sales discount and sales returns and allowances

21. Operating expenses – the cash spent or assets consumed to earn revenue for a business; operating expenses do not include federal income tax expense
22. Operating income – the taxable income of a corporation
23. Overtime rate – employers are required to pay overtime when employees covered by these laws work more than 40 hours per week
24. Pay period – the period covered by a salary payment
25. Payroll – the total amount earned by all employees for a pay period
26. Payroll register – a business form used to record payroll information
27. Post-closing trial balance – a trial balance prepared after the closing entries are posted
28. Purchases journal – a special journal used to record only purchases of merchandise on account
29. Revenue – an increase in owner's equity resulting from the operating of a business
30. Salary – the money paid for employee services
31. Sales journal – a special journal used to record only sales of merchandise on account
32. Source document – a business paper from which information is obtained for a journal entry
33. Statement of retained earnings – a statement that reports the changes that have taken place in the retained earnings account during the fiscal period; prepared as a supporting document for the balance sheet
34. Wages – an amount of money paid to an employee at a specified rate per hour worked

## Unit 3: Accounting for Special Procedures

1. Accounts receivable turnover ratio – the number of times the average amount of accounts receivable is collected during a specified period
2. Accrued expenses – expenses incurred in one fiscal period but not paid until a later fiscal period
3. Accrued revenue – revenue earned in one fiscal period but not received until a later fiscal period
4. Aging accounts receivable – analyzing accounts receivable according to when they are due
5. Assessed value – the value of an asset determined by tax authorities for the purpose of calculating taxes
6. Average number of days' sales in merchandise inventory – the period of time needed to sell an average amount of merchandise inventory
7. Book value of accounts receivable – the difference between the balance of accounts receivable and its contra account, allowance for uncollectible accounts
8. Book value of a plant asset – the original cost of a plant asset minus accumulated depreciation
9. Consignee – the person or business who receives goods on consignment
10. Consignment – goods that are given to a business to sell but for which title to the goods remains with the vendor
11. Consignor – the person or business who gives goods on consignment
12. Date of a note – the day a note is issued
13. Declining-balance method of depreciation – multiplying the book value at the end of each fiscal period by a constant depreciation rate
14. Depletion – the decrease in the value of a plant asset because of the removal of a natural resource
15. Direct write-off method of recording losses from uncollectible accounts – recording uncollectible accounts expenses only when an amount is actually known to be uncollectible
16. Dishonored note – a note that is not paid when due
17. First-in, first-out inventory costing method – using the price of merchandise purchased first to calculate the cost of merchandise sold first
18. Interest – an amount paid for the use of money for a period of time
19. Interest expense – the interest accrued on money borrowed
20. Interest rate of a note – the percentage of the principal that is paid for use of the money



21. Inventory record – a form used during a periodic inventory to record information about each item of merchandise on hand
22. Last-in, first-out inventory costing method – using the price of merchandise purchased last to calculate the cost of merchandise sold first
23. Lower of cost or market inventory costing method – using the lower of cost or market price to calculate the cost of ending merchandise inventory
24. Maturity date of a note – the date a note is due
25. Maturity value – the amount that is due on the maturity date of a note
26. Merchandise inventory turnover ratio – the number of times the average amount of merchandise inventory is sold during a specific period of time
27. Modified accelerated cost recovery system – depreciation method required by the Internal Revenue Service to be used for income tax calculation purposes for most plant assets placed in service after 1986
28. Notes payable – promissory notes that a business issues to creditors
29. Notes receivable – promissory notes that a business accepts from customers
30. Personal property – all property not classified as real property
31. Plant asset record – an accounting form on which a business records information about each plant asset
32. Prepaid expenses – expenses paid in one fiscal period but not reported as expenses until a later fiscal period
33. Principal of a note – the original amount of a note
34. Production – unit method of depreciation-calculating estimated annual depreciation expenses based on the amount of production expected from a plant asset
35. Promissory note – a written and signed promise to pay a sum of money at a specified time
36. Purchase order – a completed form authorizing a seller to deliver goods with payment to be made later
37. Real property – land and anything attached to the land
38. Retail method of estimating inventory – estimating inventory by using a percentage based on both cost and retail prices
39. Reversing entry – an entry made at the beginning of one fiscal period to reverse an adjusting entry made in the previous fiscal period
40. Stock ledger – a file of stock records for all merchandise on hand
41. Stock record – a form used to show the kind of merchandise, quantity received, quantity sold, and balance on hand
42. Straight line method of depreciation – charging an equal amount of depreciation expense for a plant asset in each year of useful life

- 43. Sum-of-the-years' digit method of depreciation – using fractions based on years of a plant asset's useful life
- 44. Uncollectible accounts – accounts receivable that cannot be collected
- 45. Unearned revenue – revenue received in one fiscal period but not earned until the next fiscal period
- 46. Weight-average inventory costing method – using the average cost of beginning inventory plus merchandise purchased during a fiscal period to calculate the cost of merchandise sold
- 47. Writing off an account – canceling the balance of a customer account because the customer does not pay

## Unit 4: Corporation Accounting

1. Amortization – to write off a portion of a bond discount or premium over the life of the bond issue
2. Articles of incorporation – an application to organize a business as a corporation made to appropriate state officials
3. Board of directors – a group of individuals, elected by stockholders, who govern and are responsible for the affairs of the corporation
4. Bond – a long-term liability in which the corporation promises to repay a certain amount at a specified date and to pay interest at set time
5. Bond issue – the total amount of bonds issued at the same time
6. Bond sinking fund – a special fund used to pay off a bond issue when it comes due
7. Charter – the approved articles of incorporation
8. Common stock – a title given to stock when only one class is issued by the corporation
9. Corporation – an artificial legal entity that has rights and responsibilities of its own
10. Date of declaration – date on which a board of directors authorizes a dividend
11. Date of payment – date on which a dividend is actually paid
12. Date of record – one to two weeks after date of declaration; stockholders owning stock on this date will receive a declared dividend
13. Declaring a dividend – action by a board of directors to distribute corporate earnings to stockholders
14. Discount on capital stock – the amount by which the face value of a bond exceeds the issue price of the bond
15. Earnings per share – a measure of the amount of profit that could be assigned to each share of common stock; calculated by dividing net income by the number of outstanding shares of common stock
16. Equity per share – the amount that would be paid on each share of stock if the corporation liquidated and the assets were sold for their book value; calculated by dividing the total stockholders' equity by the number of shares of common stock outstanding
17. Intangible assets – long-lived assets that have no physical substance
18. Market value – the current price that is being charged for an item in the marketplace
19. No-par-value stock – stock that does not have a value printed on the stock certificate
20. Organization costs – cost directly related to establishing a corporation

21. Par value – a value assigned to a share of stock and printed on the stock certificate
22. Par-value stock – stock that has a specific value printed on the stock certificate
23. Preferred stock – stock that has preferences over common stock, usually in relation to dividends
24. Price-earnings ratio – a measure used to determine whether the market price of a corporation's stock is reasonable; calculated by dividing the market price per share by the earnings per share
25. Rate earned on average stockholders' equity – the relationship between net income and average stockholders' equity
26. Rate earned on average total assets – the relationship between net income and average total assets
27. Retiring a bond issue – paying the amounts owed to bondholders of a bond issue
28. Serial bonds – a bond issue that has a series of maturity dates
29. Stated-value stock – the value assigned to a share of no-par stock by the board of directors
30. Stock certificate – a document showing how many shares of corporation stock are owned
31. Subscribing for capital stock – the process of selling stock to investors on an installment basis
32. Term bonds – a bond issue in which all bonds have the same term or maturity date
33. Treasury stock – stock that has been issued by a corporation and then reacquired and held
34. Trustee – a bank appointed to ensure that a corporation fulfills all its responsibilities to bondholders